

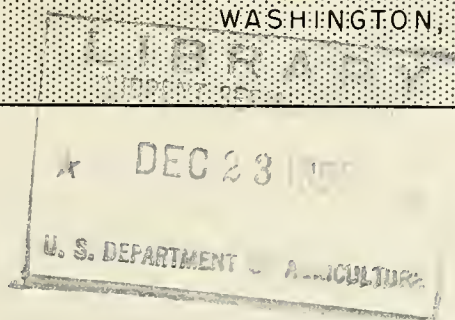
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EXPORT POSSIBILITIES FOR UNITED STATES MEAT PRODUCTS

United States exports of lard, tallows and greases, cattle hides, calfskins, and edible offal products continue at relatively high levels and are expected to continue large. Prospects, however, are not too favorable for the export of this year's increased production of lard and for beef, pork and most other meat products.

Lard: During 1954 U. S. exports of 465 million pounds accounted for around 80 percent of all lard moving into international trade; and exports were equal to nearly a fifth of our domestic production. The United States is also the largest producer in the world. Currently low prices for lard in the U. S. are encouraging exports, but domestic production is continuing to increase and there is a need for an even larger movement abroad to absorb the increased domestic output. U. S. production of lard this year is expected to total around 2,700 million pounds, 15 percent more than a year earlier and the largest since 1952. Further increases in production are anticipated during 1956 on the basis of the size of the 1955 spring pig crop and farmers intentions to raise more pigs during the fall season of 1955.

Lard has been included in the list of agricultural products which may be sold abroad under Public Law 480 for local currencies in an effort to encourage exports, reduce domestic supplies, and increase domestic prices.

There are a number of factors which prevent larger export sales of lard. A number of the countries in Central and South America limit imports by high tariffs and taxes, import quotas, and exchange controls. Many of these controls have been imposed to protect local vegetable oil industries and to save dollars for use in ways which are considered more essential to the economy of these countries. Nations maintaining controls of this type include the Republic of Panama, The Dominican Republic, Mexico, Colombia, and Brazil. Lard imports by Mexico are handled exclusively by CEMAS, a semi governmental agency in charge of regulating supplies of basic foodstuffs. During 1954, more than half of the lard exported from the United States was shipped to 12 Central and South American countries.

Increased hog production in Western Europe is limiting exports also, as this area has traditionally been the largest market for U. S. lard. Decisions to use dollars for other purposes have limited imports into the United Kingdom, West Germany, and Norway. The import duty in France is high and that country carefully controls imports from the dollar area. During 1954 exports of lard to 7 European countries accounted for 45 percent of the total exports from the United States.

Japan's imports are limited by exchange controls. In the Philippine Republic imports of oilseeds and oil-bearing materials which compete with locally produced items of the same kind are banned when production is sufficient to supply local requirements. Effective July 1, 1955 the importation of hydrogenated fats and oils was banned.

A trade agreement with Argentina results in Chile obtaining most of its requirements from Argentina rather than from other sources.

Tallow: United States exports of tallow during both 1953 and 1954 exceeded 1 billion pounds and were the largest of record. Exports are continuing large again this year as prices have continued low and production has increased further. U. S. is the largest producer of tallow and has been the largest exporter since World War II.

A number of countries such as Brazil and Japan limit imports of tallow by exchange controls. Import licenses are required by Colombia and Mexico. The Republic of Panama prohibits imports.

Pork: In recent years exports of pork by the U. S. have dropped to relatively low levels and in both 1953 and 1954 more pork was imported than was exported for the first time since records were maintained beginning in 1826.

Increased pork production since the end of World War II in Western Europe has greatly decreased the need for imports from the U. S. The United Kingdom and Western Germany have greatly increased domestic production thereby reducing their import requirements. The higher production of the leading exporters has increased exports to the U. S. and the major pork importing countries in Central America and the Caribbean.

Restrictions are imposed on imports of certain items of pork from the U. S. ostensibly because of the occurrence of Vesicular Exanthema and Hog Cholera. Canada, Venezuela, Colombia, Jamaica, Great Britain, Trinidad, Barbados, British Guiana, and British Honduras are among the markets for U. S. hog products which restrict pork products because of V. E. Some of these countries, and Austria, Sweden, Denmark, and Belgium ban U. S. imports of certain pork items because of the presence of hog cholera in the U. S. The United Kingdom, which before World War II was good market for pork from the U. S., does not allow imports from the U. S. (resorts to currency controls).

Cattle Hides and Calf Skins: During the past three years the U. S. has been a sizeable net exporter of cattle hides and calfskins, whereas for many years it had been a net importer of these items. The larger

exports have been the result of record cattle and calf slaughter and the attractive prices for hides and skins. The largest export markets--Canada, Western Europe, and Japan--took 80 percent of total exports from the U. S. during 1954 and are continuing to import sizeable quantities this year.

Quantitative restrictions on imports of cattle hides and calfskins were removed by the Federal Republic of Germany in early 1954. Japan and the United Kingdom limit imports from the dollar area through control of currency and import permits.

Beef: As a rule beef prices in the U. S. are too high for U. S. production to compete effectively in world markets and beef exports are relatively small. Exports in 1953 and 1954 were somewhat larger than in 1952 due to larger shipments to Greece, Western Germany, Italy and a few other countries financed by aid programs of the International Cooperation Administration. Some beef is being shipped to Greece this year under similar programs. The Philippine Republic has increased its imports of canned beef from the United States, although that country has closely controlled its imports. The other principle export outlets for United States beef products are the Caribbean Islands and some of the Central American Republics.

Edible Meat Offals: United States exports of offals to Western European countries increased materially during 1953 and 1954. Edible offal products have a high consumer acceptability in that area. Within the past two years prices of these products in the United States have reached levels which are more competitive in World markets than those prevailing any time since the end of World War II.

Despite the increase in U. S. exports, veterinary and inspection requirements (in addition to those for V. E. and Cholera) and exchange controls limit imports by certain countries and determine the form in which they may enter the country. Switzerland does not allow imports of fresh liver, kidneys or brains, separated from the carcass. Livers separated from the carcass may be imported only in canned form. Only cooked tripe may be imported. A policy of requiring all frozen pork livers and kidneys imported by West Germany to be thawed for inspection purposes is causing added costs to importers and a deterioration in the quality of the products.

Sweden and the United Kingdom would import more offal products from the United States if their currency controls were relaxed.

United States Exports of Meat and
Meat Products, 1951-54

Item	1951 Mil. lbs.	1952 Mil. lbs.	1953 Mil. lbs.	1954 Mil. lbs.
Beef and Veal	11.6	14.7	38.7	33.8
Pork	82.2	96.8	79.4	52.9
Lamb and Mutton	.2	.4	1.3	.8
Other Meat Products <u>1/</u>	8.7	6.1	7.6	12.4
Total Meat <u>2/</u>	102.7	118.0	127.0	99.9
Lard	688.5	633.7	422.6	465.4
Tallow (edible and inedible)	462.8	663.3	1,035.8	1,011.3
Sausage Casings (natural)	16.7	16.5	14.7	17.3
Edible Meat Offals	3.4	4.3	29.0	45.9
Horsemeat	22.0	19.7	17.1	16.3
Cattle hides (pieces)	.4	1.1	2.4	5.2
Calf and Kip Skins (pieces)	.3	.8	1.6	2.6

1/ sausage, sausage ingredients, canned meats n.e.c. and meat baby food.

2/ Product weight basis.